

STATE OF MICHIGAN
COURT OF APPEALS

PENTECOSTAL CHURCH OF GOD,

Petitioner-Appellant,

v

CITY OF DETROIT,

Respondent-Appellee.

UNPUBLISHED

October 12, 2004

No. 248083

Michigan Tax Tribunal

LC No. 00-289392

Before: Griffin, P.J., and Saad and O’Connell, JJ.

PER CURIAM.

Petitioner appeals as of right from a judgment issued by the small claims division of the Michigan Tax Tribunal (MTT) denying petitioner’s claim for a property tax exemption. We affirm. This appeal is being decided without oral argument pursuant to MCR 7.214(E).

“Absent fraud, this Court’s review of a Tax Tribunal decision is limited to determining whether the tribunal made an error of law or adopted a wrong legal principle.” *Meijer, Inc v Midland*, 240 Mich App 1, 5; 610 NW2d 242 (2000). We will uphold the tribunal’s factual findings if they are supported by “competent, material, and substantial evidence.” *Id.*

Petitioner claimed a tax exemption under MCL 211.7o(1). That statute provides an exemption for property “owned and occupied by a nonprofit charitable institution while occupied by that nonprofit charitable institution solely for the purposes for which it was incorporated.” MCL 211.7o(1). “Exemption does not follow from the mere fact of ownership by one of the institutions named, but is based on and only applies to ownership combined with occupation for the purposes of its incorporation.” *Webb Academy v Grand Rapids*, 209 Mich 523, 528; 177 NW 290 (1920). In this case, the taxed properties contained residential duplexes, and the properties as a whole were used primarily to house the lay teachers employed by petitioner’s church-run school. We have previously held that housing for lay ministers or teachers does not qualify for the exemption now contained in MCL 211.7o. *Michigan Christian Campus Ministries, Inc v Mt. Pleasant*, 110 Mich App 787, 795-796; 314 NW2d 482 (1981); *St Matthew Lutheran Church v Delhi Twp*, 76 Mich App 597, 598-599; 257 NW2d 183 (1977). Therefore, the Tribunal correctly held that the property was not exempt under the statute.

Petitioner also claimed a tax exemption under MCL 211.7s. That statute provides:

Houses of public worship, with the land on which they stand, the furniture therein and all rights in the pews, and any parsonage owned by a religious society of this state and occupied as a parsonage are exempt from taxation under this act. Houses of public worship includes buildings or other facilities owned by a religious society and used predominantly for religious services or for teaching the religious truths and beliefs of the society.

The taxed properties did not contain houses of public worship, but were residential housing units. Their primary purpose was to provide housing for lay school teachers, so this statute does not provide the church with an exemption, either. *St Matthew, supra*.

Affirmed.

/s/ Richard Allen Griffin

/s/ Henry William Saad

/s/ Peter D. O'Connell